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No. 86-

IN THE

Supreme Court of the United States

OCTOBER TERM, 1986

CLEO D. MATHIS and VICO PRODUCTS MANUFACTURING CO., INC.

Petitioners,

vs.

HYDRO AIR INDUSTRIES, INC., GERALD MORELAND, BILL SPEARS, WATERWAY PLASTICS, INC., B & S PLASTICS, INC. dba WATERWAY PLASTICS, and PHILIP E. CHALBERG, ROBERT WEYGAND, HYDRABATHS,

Respondents.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

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QUESTIONS PRESENTED

This petition presents the following questions:

1. Is not the decision of the Federal Circuit erroneous in its application of the 1986 standards of the duty of candor imposed on applicants for patents before the U.S. Patent and Trademark Office (PTO) for establishing inequitable conduct, pursuant to the 1977 amendment to 37 CFR 1.56, since it amounts to a retrospective application of the present day standards by imposing new duties on patentees that take away or impair vested patent rights in violation of the due process clause of the U.S. Constitution and is in direct conflict with the decision of the First Circuit in *Digital Equipment Corp. v. Diamond* 653 F.2d 701, 716, 210 USPQ 521, 536-547 (CA-1, 1981) and also, the Federal Circuit's early decision in *Connell v. Sears, Roebuck & Co.*, 722 F.2d 1542, 1551, 220 USPQ 193, 200-201 (Fed. Cir. 1983) where:

   i) Each case dealt with the question of retrospective application of 37 CFR 1.56 promulgated years after the events at issue; and

   ii) The First Circuit clearly indicated, contrary to the Federal Circuit Panel, its disapproval of placing the entire burden of a proper disclosure to the PTO to satisfy a duty of candor on an inventor not versed in patent law, as clearly recognized by the PTO Rule,

In the resolution of this first question, the Court will be presented with this subsidiary question.

Does not the erroneous decision of the Federal Circuit, which was restricted to a judgment on inequit-

able conduct in the procuring of three utility patents, based on a 1986 decision of the Federal Circuit, that was nonexistent at the time of the trial in 1983, or prior to the grant of the patents in suit in 1975-76, namely, the decision of *A. B. Dick Co. vs. Burroughs Corp.* 798 F.2d 1392, 1398, 230 USPQ 849, 854 (Fed. Cir. 1986) expand the Federal Circuit's definitions of "inequitable conduct" and conflicts with the opinion of other panels of the Federal Circuit as to the meaning of the word "important" to a patent examiner in the context of 37 CFR 1.56 as to a finding of "materiality" as to inequitable conduct including *Laitram Corp. v. Cambridge Wire Cloth Co.* 785 F.2d 292, 228 USPQ 935, 937 (Fed. Cir. 1986) which considered "important" from the standpoint of "anticipation" (35 USC 102), or "obviousness" (35 USC 103) for establishing materiality and the lack of a finding based on either statutory criteria establishes the lack of materiality and thereby the lack of inequitable conduct; and again, in 1986, in *Pacific Furniture Manufacturing Co. v. Preview Furniture Corp. et al,* 231 USPQ 67, 69 (Fed. Cir. 1986) wherein another panel concluded there was no inequitable conduct when it considered the undisclosed information was the starting point for the patented improvements and the fact of non-disclosure of that information by the applicant and the attorney was considered as going "to intent not to materiality" and, therefore, the Federal Circuit has left the law confused and the "duty" of applicants and their counsel before the PTO uncertain to the end that all vested patent rights granted by the PTO are all suspect.

2. Does not the decision of the Federal Circuit conflict directly with the pronouncement of this Court

as to a Federal Court of Appeals application of the "clearly erroneous" standard of Rule 52(a) as held by this Court in *United States v. El Paso Natural Gas Co.* 376 US 651, 12 L.ed. 2d 12, 84 S.Ct. 10144 (1964); *Anderson v. Bessemer City* 470 U.S. ___, 84 L.ed. 2d 518, 106 S.Ct. ___(1985); and *Icicle Seafoods, Inc. v. Larry Worthington et al.* 475 U.S. ___, 89 L.ed. 2d 739, 106 S.Ct. ___(1986), particularly in view of the fact that the Federal Circuit ignored the Respondents' admissions in the Federal Circuit that a mistake has been committed, since the district court's Findings of Fact did not include important facts that would prevent the Federal Circuit from fully evaluating the district court's decision and thereby resulted in a gross miscarriage of justice.

3. Were not the pronouncements of this Court in *Icicle Seafoods, Inc. v. Larry Worthington et al.* 475 U.S. ___, 89 L.ed. 2d 739, 106 S.Ct. ___(1986) ignored by the Federal Circuit in improperly applying the appropriate standards of review in passing on the District Court's judgment by failing in its opinion to mention the specific factual findings of the District Court, failing to discuss or analyze the factual findings by indicating which findings it affirmed, rejected or otherwise disposed of, within the meaning of Rule 52(a) of the Federal Rules of Civil Procedure and by improperly making factual findings on its own whereby the Petitioners lack an adequate explanation of the true basis for the Judgment.

4. Does not the decision of the Federal Circuit represent a gross miscarriage of justice by affirming the district court's erroneous decisional approach in these patent cases under 35 USC 102, 103, 112, and 282, and which erroneous approach was carried over to

the Federal Circuit's consideration of the "materiality" of prior art relative to the inequitable conduct and which trial court decisional approach was so soundly condemned by the Federal Circuit in *Panduit Corp. v. Dennison Mfg. Co.*, 1 USPQ 2d 1593 decided 1/23/87,* since such a decisional approach permits destruction of every patent and subjects every inventor and patent applicant to a claim of inequitable conduct, thereby frustrating Congress' effort to effectuate its constitutionally granted powers and the intent of the framers' of the U.S. Constitution to promote progress in science and the useful arts; U.S. Constitution, Article 1, Section 8.

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* on remand from the U.S. Supreme Court 106 S.Ct. 1578 (1986)

RULE 28.1 STATEMENT

Petitioner, Vico Products Manufacturing Co., Inc. has no parent companies or subsidiaries, apart from wholly owned subsidiaries or affiliates.

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No. 86-

CLEO D. MATHIS and VICO PRODUCTS MANUFACTURING CO., INC.,

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HYDRO AIR INDUSTRIES, INC., GERALD MORELAND; BILL SPEARS, WATERWAY PLASTICS, INC., B & S PLASTICS INC., dba WATERWAY PLASTICS; and PHILIP E. CHALBERG, ROBERT WEYGAND, HYDRABATHS,

Respondents.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

The petitioners, Cleo D. Mathis and Vico Products Manufacturing Co., Inc. respectfully pray that a writ of certiorari issue to review the judgment of the United States Court of Appeals for the Federal Circuit in its causes Nos. 86-1181; 86-1182; and 86-1224. The Judgment was entered on February 13, 1987. Rehearing was denied on March 11, 1987.

OPINION

The opinion of the Court of Appeals is unpublished and is reprinted in the appendix to the petition commencing at page 1a.

The district court's Findings of Fact and Conclusions of Law are reported in 1 USPQ 2d 1513 and is reprinted in the appendix to this petition commencing at page 54a.

JURISDICTION

The judgment of which review by this Court is sought was entered on February 13, 1987, and rehearing was denied on March 11, 1987. This Court has jurisdiction by virtue of 28 U.S.C. Section 1254(1).

THE CONSTITUTIONAL PROVISIONS, STATUTES AND RULES INVOLVED

U.S. CONSTITUTION, AMENDMENT V

"No person shall .... be deprived of life, liberty or property without due process of law. . ."

In addition to the above constitutional provision, these cases involve Article I, ¶8, Clause 8 of the U.S. Constitution (A.p. 143a) and the Federal patent laws (A.p. 144a-149a), the Federal Rules of Civil Procedure (A.p. 150a) and the Patent and Trademark Office Rules of Practise (A.p. 151a-154a). The statutory provisions involved are 35 USC 101, 102, 103, 111, 112, 154, 282 ad 285. the Federal Rule involved is 52(a) and the Patent and Trademark Office Rules are 1.31, 1.51, 1.56 and 1.63 37 CFR 1.31, 1.51, 1.56 and 1.63.

STATEMENT OF CASE

These proceedings were commenced in the United States District Court for the Central District of California on complaints for infringement of three utility patents 3,890,655; 3,890,656; and 3,949,499 on whirlpool jet improvements of the sole inventor, Cleo D. Mathis, the patent owner. The three complaints for infringement were filed in a short space of time in 1980-81 claiming infringement by each of the defendants copying the Mathis' im-

provements of whirlpool jets manufactured and sold on behalf of the defendants.

The defendants each have denied infringement and patent validity. The suits against all of the defendants were consolidated for trial in the District Court.

The proceeding below also involved a Cleo D. Mathis design patent D244,462 on a whirlpool jet. The design patent was dedicated to the public by Mr. Mathis prior to the trial in the District Court.

The whirlpool jet improvements that are the subject of the three Mathis utility patents all relate to different specific structural parts for facilitating the mounting of a whirlpool jet on a bathtub or similar water vessel and to minimize the space required for the air and water supply lines immediately adjacent the periphery of a water vessel having a plurality of the Mathis patented type of whirlpool jets mounted to the bathtub to the end that a whirlpool jet or hydrotherapy system can be installed on any bathtub, including on an existing tub in a home or residence without moving the tub due to Mr. Mathis's patented improvements.

The entire whirlpool jet industry, as well as each of the Respondents, have copied the Mathis' patented structures. The copyists include the pioneer in the industry, the Jacuzzi company. Each of the three Mathis' utility patents include patent claims that define specific improvements to whirlpool jets not found in any other whirlpool jet known to Mr. Mathis. No prior art whirlpool jet was known to Mr. Mathis to be capable of functioning in the manner of each of his patented structures.

The District Court, after a court trial, rendered her brief ruling on June 13, 1983, (A. p. 111a-116a) indicating her conclusions of validity of the three Mathis' utility patents as invalid under 35 USC 102, 103 and 112, and unenforceable for inequitable conduct before the Patent Office.

No other opinion was rendered by the trial court. The District Court also awarded each of the prevailing parties their reasonable attorneys' fees and costs (A.p. 100a-111a). The announced ruling was based, in part, on the defendants' proposed, pre-trial Findings of Fact and Conclusions of Law. The specific basis for the District Court's conclusions of validity was not stated at the time of the ruling, or at any other time. The only portion of the District Court's ruling in 1983 that was clear was stated by her as follows:

> "Now, I want you to know that the testimony about the Parr patent is very important, and the tests are a very important part of the decision that I made. So I accept the comments that Mr. Jessup made about the Parr patent." (A.p. 114a)

In 1986 the District Court adopted substantially verbatim the Findings of Fact and Conclusions of Law submitted in 1983 by the prevailing parties. Three separate judgments as to patent invalidity and granting each of the defendants their attorneys' fees were entered on March 21, 1986. (A.p. 100a-111a)

An important fact is that patent counsel Robert Comstock, a sole practitioner, solely represented the inventor, Mr. Mathis, until his death, prior to the commencement of the litigation, and therefore was unavailable for any purpose. Mr. Mathis was inexperienced in patent matters but testified at the trial in good faith. (A.p. 35a) Mr. Mathis revealed his understanding of the "undisclosed information" to Mr. Comstock.

During the appeal proceedings the defendants/appellees filed a joint responsive brief, which included a Supplemental Appendix, including a number of pre-trial documents. The Appellants moved to strike portions of Appellees' Brief and Supplemental Appendix as being beyond the issues determined by the District Court (A.p. 8a-10a) In opposing Appellants' Motion to Strike, the Appellee

made an important admission as to the *incomplete* nature of the District Court's Findings of Fact that the Appellees had prepared. (A.p. 12a-13a) Appellees represented that the stipulated facts were an important part of the facts relied on by the trial court. Appellees insisted that the Federal Circuit *must* consider the pre-trial, stipulated facts by indicating:

> "This Court cannot fully evaluate the trial court's decision without the benefit of the stipulated facts." (A.p. 13a)

Appellants' Motion was denied by a deputy clerk of the Federal Circuit (A.p. 15a). The findings are further deficient by a further admission by the Appellees' counsels' abandonment in their responsive Brief of the substance of finding No. 43 establishing the law of gravity as prior art. (A.p. 67a-68a, 51a-52a)

The Federal Circuit ruled only on the issues of inequitable conduct as to the three utility patents in suit by affirming the lower court and affirming the award of reasonable attorneys' fees and costs to each of the defendants. In affirming the District Court, *the Federal Circuit summarized* and redefined certain facts that it considered were found by the District Court and found other facts de novo that were technically erroneous facts; i.e., contrary to the parties stipulated facts in the trial court. Rule 52(a) was not mentioned, nor were any findings identified by number or analyzed as to the underlying facts. (A.p.2a-4a)

The Federal Circuit found that certain information not disclosed by Mr. Mathis' counsel to the Patent Office would have been "important" to a Patent Examiner in considering the Mathis patent applications and thereby established the "materiality" of the information per the present day Rule 1.56 of the Patent and Trademark Office along with the 1986 rationale of *A. B. Dick Co.*, Supra, interpreting the Rule. The inequitable conduct as to undisclosed information was based on Mathis and his attorney being

"grossly negligent" and, therefore, satisfying the threshold "intent." No findings of the lower court were referred to by the Federal Circuit.

The Appellants in the Federal Circuit followed through their attack of the District Court's Findings of Fact in their Briefs and oral argument before the Federal Circuit as being based on an erroneous view of the law and the application of the facts thereto. (A.p. 37a-47a) The findings were further attacked as *not* being supported by the evidence. This attack on the Findings of Fact was directed to all the issues in the three patents, including the issues relevant to inequitable conduct. In view of the Respondents' admissions in the Federal Circuit, it is clear that the District Court's findings are incomplete and the Federal Circuit rendered a decision without all the facts before them.

U.S. Patent 3,890,655

The basic claim, claim 1, of this Mathis '655 patent defines the structural organization of a whirlpool jet so that the jet can be mounted to the wall of a bathtub or similar water vessels without any fasteners of any type and is automatically adjustable to different tub wall thicknesses. Once the back portion of the jet is mounted through an aperture in the tub wall or the "blind" side, the installation of the jet can be completed solely from the inside of the tub by securing the jet outlet to the back side of the jet to complete the installation of the entire jet. Claim 1, a detailed claim, includes this novel feature by the recitation in the patented claim in column 4, line 33, et seq. as:

> ". . . to mount said jet on the bathtub without any fastening members being connected to the bathtub, the threaded engagement between said water outlet and housing providing automatic adjustment of said jet to fit various thicknesses of bathtub walls."

The foundation for this claim language "without any fastening members" is found in column 4, lines 1-3, of the '655 patent by the following language:

> "It should be noted that the device of the present invention requires no screws or other fastening members to be attached to the tub."

This statement is repeated in column 3, line 55—column 4, line 2 of the Mathis '656 patent and, again, in column 4, lines 52-54, of the Mathis '499 patent.

The other patent claims in issue in the '655 patent are dependent on claim 1 and include further features of the whirlpool jet construction.

U.S. Patent 3,890,656

The basic claim 1 of this patent covers a whirlpool jet assembly of a plurality of jet housings mounted in spaced relationship on a bathtub wall. The claim characterizes the jet housings as:

> ". . . having a transversely directed water inlet opening and an adjacent transversely directed air inlet opening . . ." (column 4, lines 11-13)

so that the water supply pipes on the exterior of the bathtub are:

> ". . . directly connected to each of said water inlet openings without fittings, . . ." (column 4, lines 15-17)

and the exterior air supply pipes are :

> ". . . directly connected to each of said air inlet openings without fittings, . . ." (column 4, lines 18-21).

Dependent claim 2 recites the necessary means for completing the whirlpool jet system and the structural design for draining the water from within the whirlpool jet system

after the whirlpool jet system is turned off. This feature is recited as:

> "The bottom of said water inlet opening of each of said housings being disposed above the bottom of said mixing chamber, whereby said water supply pipe is completely drained into said mixing chamber after each use." (col. 4, l. 34-38).

The remaining patent claims are dependent on claims 1 and 2 and all recite further improvements in the Mathis whirlpool jets.

U.S. Patent 3,946,499

The basic claim 1 of this patent covers a whirlpool jet mountable on opposite sides of the wall of a water vessel in accordance with the Mathis teachings in the '655 and/or '656 patent in combination with a specially designed spanner wrench. The water outlet mounted on the inside wall of the bathtub is provided with a pair of spaced openings to receive the spanner wrench and allow the jet parts to be secured from only the inside of the tub.

Dependent claims 8 and 9 provide for optional configurations for supplying air to the jet body.

Dependent claim 10 provides for the use of the whirlpool jet on opposite sides of a concrete wall by means of extensions for the jet body and jet nozzle.

U.S. patents 3,890,656 and 3,946,499 were granted as the applications were originally filed. The same patent examiner processed the 3 Mathis applications.

The District Court

A model of a prior patented structure proffered as a replica of the drawing in the Parr et al patent 1,526,179 to establish its operation as a whirlpool jet was demonstrated during the trial. Tests were *secretly* run a number of months prior to trial and recorded on video tape with

defendant's (patent law) expert conducting the tests. The tests were never disclosed to the Plaintiffs prior to trial to afford a fair understanding of the replica by Plaintiffs' technical experts; Finding of Fact No. 13. (A.p. 58a-59a)

The Plaintiffs' experts (patent and technical) and the inventor, Mr. Mathis, testified on the basis of the information disclosed in the Parr et al patent directed to the necessary structures for aerating a fish tank. In the very limited time afforded for examination of the replica, viewing of the videotape during the trial, and the "working replica" of the Parr device (an inherently unfair procedure), the Plaintiffs' experts pointed out the specific differences between the Parr patent disclosure and the "working replica" and the reasons the "replica" had the ability to produce a different action than that clearly contemplated by the Parr et al patent disclosure.

The trial judge, who was untrained in patent matters, apparently assumed a working replica could be constructed from the patent drawings, and there was a direct correspondence between the replica and the patent drawings. The Plaintiffs' experts were considered by the trial judge as incredible, apparently on the basis that "seeing is believing" and adopted Finding of Fact No. 13 and completely, erroneously, ignored Plaintiffs' evidence.

The Court announced the manner in which the prevailing parties were to prepare the findings of fact and conclusions of law and how the objections were to be processed as follows:

> "Yes, yes. Here is what I want to do:
>
> I want you to submit the findings and conclusions to me. I want that within a relatively short period of time. What you do is you take the ones that you gave me, you line out the things which—obviously you have to take out all the portions on infringement. Then you give Mr. DaRin what-

ever length of time he wants to consider them. He has to file nothing by way of objection. Then we will go through the ones to which you have an objection, Mr. DaRin, because it is too much trouble to start writing things again. It won't be any trouble to you because you just have to take what you already submitted;" (A.p. 115a).

The Plaintiffs' counsel was afforded an opportunity to object to the prevailing parties' Findings and Conclusions. The District Court judge, however, limited the objections of Plaintiffs' counsel on the issue of fraud and inequitable conduct by stating:

"The Court: Now, when you get to this part on fraud and inequitable conduct, you can sum that up, can't you:

"Mr. DaRin: Right, and I think at least the recent cases from the Court of Appeals help me in that regard.[1]

"The Court: I don't think we need to go into these.

"Mr. DaRin: Okay.

"The Court: I think that fraud is something that I have to deal with.

"Mr. DaRin: Correct.

"The Court: And the conclusions of law do not trouble you. It is the findings of fact

[1] The cases from the Court of Appeals referred to were the Federal Circuit decisions on "fraud"; namely, *Orthopedic Company Inc. v. All Orthopedic Appliances, Inc.* 707 F.2d 1376, *1383*, 217 USPQ 1281, 1286 (Fed. Cir. 1983); *DuPont v. Berkeley & Co.* 620 F.2d 1247, *1274*1275, 205 USPQ 1,23 (C.A.8 1980) *SSIH Equipment, S.A. v. U.S. International Trade Commission and Stewart Warner*, 718 F.2d 365, *378*, 379, 218 USPQ 678, 689-90 (Fed. Cir. 1983) (A.p. 1343, line 11- page 1344, line 6).

> upon which they are based, I mean, your point is you can't come to those conclusions of law because you have no facts upon which to base them."

"Mr. DaRin: Right." (A.p. 139a-140a)

The procedure for disposing of the objected to Findings, as announced by the Court, hereinabove, was *never* resorted to by the lower court.

The evidence in the trial court included the fact that the Jacuzzi and Hayward companies (the source of the undisclosed information), as well as the defendants, both changed their whirlpool jet designs to incorporate all of the features patented by Mr. Mathis in claims 1 of both the '655 and '656 patents.

Federal Circuit

In a 5-page decision, *summarizing* what appeared to the Federal Circuit to be the lower court's Findings of Fact, rendering additional findings "de novo" and citing the Federal Circuit decisions, non-existent at the time of trial in 1983, and those not considered by the trial judge, the Federal Circuit affirmed. (A.p. 2a) The recent decisions of the Federal Circuit established standards for inequitable conduct before the PTO that were only vaguely defined prior to the grant of the three utility patents. The Findings as to "materiality" per 37 CFR 1.56 were adopted without proper legal analysis of the Findings of the lower court.

The Federal Circuit's judgment of reducing the case down to the issue of "inequitable conduct" has expunged the real basis for the lower court's ruling as a whole, namely, the evidence on the Parr et al patent. The summary treatment of the issue of "materiality" of the non-disclosed information was without proper reference to any one patent, or a patent claim that related the undisclosed information to the claimed invention or the information

considered by the PTO to establish "materiality" (as the Federal Circuit has soundly condemned District Court judges for doing). The Federal Circuit ignored the provisions of 37 CFR 1.56(b) as to an inventor's satisfying his duty of disclosure by disclosure to his counsel, as Mr. Mathis did. The lower court's findings also failed to specifically consider 37 CFR 1.56(b). Mr. Mathis testified at the trial, along with other witnesses, in good faith to establish the lack of materiality of the undisclosed information. In addition, the admission of the defendant's counsel as to the *deficiencies* of the *facts* disabling the evaluation of the lower court's judgment was not mentioned by the Federal Circuit. The Federal Circuit's finding "de novo" was contrary to stipulated Fact No. 64—the Jacuzzi (and Hayward) jets were supplied water and air through "tees." (A.p. 28a). Although the Appellees' counsels' committed legal suicide in admitting the deficiencies in the findings as noted hereinabove, the Federal Circuit ignored the admissions in focusing on inequitable conduct. Furthermore, the Appellants' objections to the Findings and Conclusions of Law re Rule 52(a), including the fact that findings were not supported by the evidence, was ignored by the Federal Circuit.

REASONS FOR GRANTING OF THE WRIT

I. The Court Should Issue The Writ Of Certiorari In This Case Because The Federal Circuit's Affirmance Of The Trial Court On The Issue Of Inequitable Conduct Was Clearly A Retrospective Application Of Present Day Standards Of Conduct For Applicants Before The Patent Office, Only Recently Announced By The Federal Circuit, That Impairs Vested Patent Rights In Violation Of The Due Process Clause Of The Constitution, As Recognized By The First Circuit And An Early Decision Of The Federal Circuit Apparently No Longer Followed, But Not Overruled, To Prevent Manifest Injustice And To Avoid Future Errors.

The Patent Office Rule 1.56 relied on by the Federal Circuit was adopted by the PTO on January 28, 1977. The patents in issue were all filed in the Patent Office and granted before the adoption of Rule 1.56 (37 CFR 1.56) in its present form. (A.p. 152a-153a)

Immediately prior to the existence of the Federal Circuit, the First Circuit, in a well reasoned decision, considered the issue of fraud on the PTO relative to the present day and prior Patent Office Rule 1.56 in *Digital Equipment Corp. v. Diamond* 653 F.2d 701, 210 USPQ 521 (CA-1, 1981). The First Circuit made it clear that the application of Rule 1.56 as promulgated in 1977, to the conduct of Patent Office applicants prior to the creation of the regulation is improper. The learned First Circuit also noted that the 1977 regulation adopted a definition of "materiality" that is more expansive than applied in prior "Fraud Cases;" *Digital*, Supra, Note 17 on page 716 of 653 F.2d; pages 537-538, including note 17 of 210 USPQ.

The Federal Circuit through Judge Rich adopted the reasoning of *Digital Equipment* in *American Hoist & Derrick Co. v. Sowa & Sons, Inc.* 725 F.2d 1350, 1362, 220 USPQ 763, 772 (CAFC 1984).

In one of its first cases dealing with the issue of fraud on the Patent Office, or inequitable conduct, the Federal Circuit reviewed 37 CFR 1.56(a) and recognized that the Court was "not at liberty . . . to apply the present day standard retroactively in this case, . . ." (patent granted in 1969) *Connell v. Sears, Roebuck & Co.* 722 F.2d 1542, 1551, 220 USPQ 193, 201 (Fed. Cir. 1983).

Subsequently, the Federal Circuit applied the 1977 definitions of 37 CFR 1.56 to pre-1977 patent applications and patents, as in the case of the Mathis patents herein. Apparently, ignoring the fact that the PTO rule was ambiguous as to an applicant's duty of disclosure prior to the 1977 change, the Federal Circuit has taken the position that the rule is a mere codification of prior case law. It is true that this Court in *Precision Instrument Mfg. Co. v. Automotive Maintenance Machinery Co.*, 324 U.S. 806, 816, rehearing denied 325 U.S. 893, 65 USPQ 133, (1945) established that a patent applicant and his attorney have a duty to the PTO to bring information to their attention that is "material" and which duty is absolute and uncompromising. This decision was based on the equitable doctrine of unclean hands on very specific facts. The rhetoric of the *Precision Instrument*, Supra, case provides *no* standards to guide applicants for patents and their attorneys for avoiding a charge of fraud or inequitable conduct in soliciting patents.

The Federal courts have recognized, as late as 1980, that there cannot be, nor has there been, any exact interpretation of the "duty of candor" owed by a patent applicant, as set out in *Precision Manufacturing Co.*, Supra, in *Pfizer, Inc. v. International Rectifier Corp.*, 545 F. Supp. 486, 535-538, 207 USPQ 397, 435 (C.D. Cal. 1980), aff'd. 685 F.2d 357 (CA-9, 1982) after reversal by the Eighth Circuit in *Pfizer vs. International Rectifier Corp.* 538 F.2d 180, 185-187, 193-194, 190 USPQ 273, 277-279, 286 (CA-8, 1976).

Unlike the oaths executed by Mr. Mathis with his patent applications (35 USC 115), (A.p. 147) the present day PTO rules require an "acknowledgment" by the inventor of his duty to disclosure per Rule 1.56 in Rule 1.63(b-3) (A.p. 153a-154a).

The public interest is clearly at issue since it has been a source of great concern to the patent bar that conduct before the PTO will be retrospectively labeled fraudulent or inequitable based on a hindsight evaluation of the prior conduct; note "Patent Litigation: Procedure & Tactics," Vol. 3 by R. A. White, pages 8A-21-8A-23.

A. The Court Should Issue The Writ Of Certiorari In This Case On The Issue Of Inequitable Conduct As The Federal Circuit Only In 1984 Provided Specific Standards For Evaluating Conduct Before The Patent Office, But Yet Different Panels Have Interpreted The Standards Differently In The Retrospective Application Of The Present Day Standards. Accordingly, There Is An Immediate Special Need For Nationwide Uniformity Which The Federal Court Is Not Providing.

The Federal Circuit in the 1984 decision of *J. P. Stevens & Co. v. Lex Tex Ltd.*, 747 F.2d 1553, 1559, 223 USPQ 1089, 1092 (Fed. Cir. 1984) adopted the broader label of "inequitable conduct" rather than "fraud on the PTO" to identify a breach of the duty of candor to distinguish from common law "fraud." This eliminated the defense of "good faith" that was previously available in "fraud" allegations.

The District Court judge considered the decisions of the Ninth Circuit controlling in this patent case per her Conclusion of Law No. 1; note Conclusions Nos. 34-37, 39-42 re inequitable conduct. (A.p. 92a-95a) The Federal Circuit's decisions that were rendered during the lengthy period these cases were under submission, that significantly changed the law, were not considered by the trial judge. Among these cases was the 1984 important case of *J. P. Steven & Co.*, Supra. This *Stevens* decision was basic to

the affirmance, along with the overly expansive view of the Federal Circuit announced in 1986 as to inequitable conduct in *A. B. Dick Co. v. Burroughs Corp.*, 798 F.2d 1392, 1398, 230 USPQ 849, 854 (Fed. Cir. 1986).

The end result is that all inventors' conduct before the PTO in the 1970's and later has been and will be evaluated, retrospectively, under present day standards that vary with the panels of the Federal Circuit. The *A. B. Dick*, Supra, decision ignores the realities of the practise of patent lawyers and agents before the PTO and the fact that the "undisclosed" material did not affect the validity of the patent. This retrospective application of the present day standards impairs all vested patent rights granted prior to *A. B. Dick*, Supra.

The Patent Bar has criticized the *A. B. Dick* rationale and some members of the Bar have concluded the Federal Circuit has gone too far, while others see the erosion of the Patent System.

In addition, since different panels of the Federal Circuit have interpreted the criteria set out in *J. P. Stevens*, Supra, differently the present day patent grants are even more suspect and indefensible to the patentees, thereby negating the constitutional provision for advancing the practical arts.[2] This position was recognized by the First Circuit in *Digital Equipment Corp.*, Supra, but ignored by the Federal Circuit, page 716 of 653 F.2d, page 538 of 210 USPQ.

What should be abundantly clear at this point is that the standards for evaluating inequitable conduct are con-

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[2] The litigation in the District Court consumed approximately 6 years of the 17 year patent grant, 35 USC 154, all to the advantage of the infringers. This in itself frustrates the constitutional provisions of protecting inventors. Approximately 3 years of the 6 covered the period the cases were under submission. During this period Mr. Mathis' original patent law expert passed away and the technical expert at trial passed away. Justice was delayed and denied.

fused since the Federal Circuit panels interpret the standards differently calling for clarification NOW.

The Federal Circuit's summary of the facts of record on page 3 of their Opinion is clearly erroneous. (A.p. 3a) The prior art Jacuzzi and Hayward jets did not have "the supposedly patentable features" of the subject matter of claim 1 of both the '655 and '656 patents. In fact, the prior art designs of these two competitors' products were changed to include both the features of claim 1 of '655 and the novel features of claim 1 of '656 Mathis patents many years after the grant of the Mathis patents when the subject matter of these separate claims is taken "as a whole" as required by this Court in *Graham v. Deere*, 383 U.S. 1. These factors were not evaluated by any one court re "materiality" under the *Lex Tex*, Supra, standards.

A respected writer in the patent field has also criticized the decisions of the Federal Circuit as to "inequitable conduct" leading to unpredictable results, implication of the morals of good faith of a party, and inquiry into the quality of prior legal representation leading to the necessity of testimony by counsel; "Patent Law and the Presumption of Moral Regularity: A Critical Review of Recent Federal Circuit Decisions on Inequitable Conduct and Willful Infringement", Donald S. Chisum, Journal of the Patent & Trademark Society, January, 1987, Vol. 69, No. 1, pages 27-46.

The courts have recognized that a patent infringer is permitted to sidestep the main issues of patent validity and infringement by their conduct in asserting patent unenforceability; *Digital Equipment Corp. v. Diamond*, Supra, page 726 of 653 F.2d, 547 of 210 USPQ citing *Pfizer v. International Rectifier Corp.*, Supra, page 196 of 538 F.2d, pages 286-287 of 190 USPQ.

Patentees and applicants before the Patent and Trademark Office are entitled to a thorough examination of the validity of their contributions and their conduct before the

Patent and Trademark Office should be of secondary importance in light of a prior conclusion of invalidity as recognized by the CCPA in *Norton v. Curtiss*, 433 F.2d 779, 795, 167 USPQ 532, 544-45 (CCPA 1970)

Only then can the issue of inequitable conduct be properly evaluated in terms of the metes and bounds of the patent claims and the prior art of record, as the Federal Circuit recognized in *Kimberly Clark Corp. v. Johnson & Johnson*, 745 F.2d 1437, 1454-55, 223 USPQ 603, 616 (Fed.Cir. 1984). The Federal Circuit indicated in *Kansas Jack v. Kuhn*, 719 F.2d 1144-1151-52, 219 USPQ 857, 861 (Fed. Cir. 1983)—the fact finder must evaluate all of the facts and circumstances in each case (i.e., in each patent).

Both lower courts in considering the retrospective application of Patent and Trademark Office Rule 1.56 have ignored subdivision (b) of the Rule as to disclosure by an applicant to his patent counsel to the extent of penalizing the inventor for his attorneys' judgment. The Rule clearly states that the duty of disclosure of an applicant shall be satisfied by disclosure to his patent counsel or agent and such an attorney or agent has no duty to transmit information which is not material to the examination of a patent application, 37 CFR 1.56(b) (A.p. 152a) The *Digital* court did not approve placing the entire burden of proper disclosure on an inventor not versed in patent law; Note 25 on page 720 of 653 F.2d; Note 25 on pages 541-42 of 210 USPQ, Supra. The oaths executed by Mathis in the 70's were not in accordance with present day Rule 1.63(b-3). (A.p. 154a)

Mathis' patent counsel was not available to testify as to his reasoning on materiality or intent as in *Laitram Corp.*, Supra. The hindsight, speculative evaluation by the lower court resulted in injustice to this inventor and will to similarly situated novice inventors in the future. In this case, the inventor was a novice to the whirlpool jet art

as well as to patent law, as the patents in suit evidence his first excursions into both of these fields.

B. No Novice Inventor, Unskilled In Patent Law, Who Relied On His Patent Counsel To Obtain A Patent For Him Should Be Charged With Inequitable Conduct Under Any Standards When It Is Impossible To Obtain The Testimony Of The Patent Counsel To Explain His Actions Of Non-Disclosure

The Federal Circuit's decision drew the inference that the inventor was attempting to place the blame on his deceased attorney and claiming ignorance and then cited 37 CFR 1.56(a) not (b). A key element in being able to draw a negative inference against a party—Mathis—is that it must be shown that Mathis had the power to produce Mr. Comstock. Obviously he did not; *Chicago College of Osteopathic Medicine v. Geo A. Fuller Co.* 719 F.2d 1335, 1353 (CA-7, 1983).

The PTO recognizes that inventors per se are not expected to be experts in patent law. Cannot the inventor's conduct exhibit ignorance as to patent matters rather than gross negligence?-YES.

In the factual area of errors of omission in failing to inform the PTO of prior art known to the attorney or the applicant, the recent cases indicate that both the courts and the PTO, prior to the Federal Circuit, are likely to respect that judgment, *even if it was wrong*, including the following cases: *Tokyo Shibaura Electric Co. v. Zenith Radio Corp.* 404 F. Supp. 547, 188 USPQ 55 (D. Del. 1975); affirmed 548 F.2d 88, 193 USPQ 73 (CA-3, 1977) (The attorney died and superior did not review application in detail) *Reinke Mfg. Co. v. Sidney Mfg. Corp.* 446 F. Supp. 1056, 199 USPQ 401 (D. Neb. 1978); affirmed 594 F.2d 644, 201 USPQ 344 (CA-8, 1979) (Inventor testified he disclosed relevant art to his attorneys.) The Federal Circuit followed suit, and, early on, recognized that an erroneous judgment made in good faith is insufficient to prove the

threshold intent required to establish inequitable conduct; see page 1560, 747 F.2d page 1092 of 223 USPQ, *Lex Tex*, Supra, and *Hycor Corp. v. Schlueter Co.* 740 F.2d 1529, 1540, 222 USPQ 553, 561-562 (Fed. Cir. 1984).

Enough mud was thrown at the inventor to give the trial judge the opportunity to conclude his hands were unclean—the trial counsel so evaluated the trial judge and she performed admirably. Judge Rich did not explain what was the error in disclosing the information to counsel and why his hindsight evaluation of the information should control other than referring to *A. B. Dick*, Supra, as the law. The underlying facts were not evaluated as required by this Court, under Rule 52. The only analysis of the claims and the prior art was by the prevailing parties' counsel and the trial judge ignored the Mathis evidence and objections. Claim 1 of the '655 patent defines specifically over the Hayward jet for purposes of validity and there is *no material* information disclosed or undisclosed, as to all of the claims of the '656 patent for either the purposes of validity or inequitable conduct, for example.

II. The Need For Review Of The Issues Relating To Rule 52(a) Raised By Questions 2 And 3

A. The Court Should Issue The Writ Of Certiorari In This Case Under The Supervisory Authority Of U.S.S.C. Rule 17 Because The Federal Circuit's Affirmance Of The Trial Court Is Grounded Upon A Total Disregard Of The Requirements Of F.R. Civ. P. Rule 52(a), The Prevailing Parties' Admitted Deficiencies Of The Findings, As Well As The Federal Circuit Improperly Making Factual Findings (Erroneous Facts) And Thereby Ignoring The Pronouncements Of This Court To Prevent Manifest Injustice In the Future.

Quite a few years ago, the mechanical adoption of the prevailing parties' findings were condemned by this Court as not revealing the discerning line for decision of the basic issues in *United States v. El Paso Natural Gas Co.* 376 U.S. 651, 656, 12 L. ed. 2d 12, 84 S. Ct. 1044 (1964).

In fact, this Court denounced this procedure by trial judges as an abandonment of their duty and trust placed on the judges by Rule 52. In sum, it has been indicated as follows:

> "When these findings get to the courts of appeals, they won't be worth the paper they are written on as far as assisting the Court of Appeals in determining why the judge decided the case." footnote 4, page 656 of 376 U.S.

As noted herein the STATEMENT OF THE CASE, even the drafters of the findings confessed they were deficient. It is respectfully submitted that this is exactly what has occurred in this patent case and occurs in many, many patent cases. As noted hereinabove, no opportunity was given to Respondent's counsel to object to the prevailing parties' proposed findings on the dispositive issue of inequitable conduct. The trial judge's failure to permit (her announced) hearing on the objections to the inequitable conduct findings and failure to recognize and follow the Federal Circuit's decisions, along with the substantial adoption of the prevailing parties' findings without any consideration of the Petitioners' evidence, involves the failure of the trial judge to perform her judicial function and amounts to a *denial* of due process.

The failure to the trial court and the Federal Circuit to evaluate the information known and considered by the patent examiner relative to that not known to him as important to the validity evaluations of each patent in suit and also as to what information would have been "important" to a patent examiner for the evaluation of inequitable conduct under the Federal Circuit's present day standards so that due process required a remand to the trial court and not affirmance by the Federal Circuit; see *Chicopee Mfg. Corp. v. Kendall Co.* 288 F.2d 719, 129 USPQ 94 (CA-4, 1961). The Federal Circuit compounded the denial of due process by attempting to summarize the facts and establish facts de novo, including erroneous facts,

contrary to this Court's pronouncements. The review of the factual findings under Rule 52(a) would have revealed that a "reasonable fact finder" would not accept them in light of the record in its entirety; *Anderson v. Bessemer City* 470 U.S. ___, 84 L.ed. 2d 518, 106 S.Ct. ___ (1985) and *Icicle Seafoods, Inc. v. Larry Worthington et al* 475 U.S. ___89 L. ed. 2d 739, 106 S. Ct. ___(1986).

The summary of the facts by the Federal Circuit did reveal, however, that the "Stipulated Facts" which were not included in the trial court's Findings and the admission of Respondent's counsel in the Federal Circuit were ignored. In fact, the de novo findings of the Federal Circuit were, technically, erroneous and contrary to the parties' stipulated facts; see '655 patent hereinabove and Fact No. 64 (A.p. 28a)

In the second paragraph of page 3, Judge Rich summarized the lower court's findings regarding the Model 548 Spa. An analysis of this whirlpool jet structure would have revealed that the jet structure was a step backward in the art, as evidenced by the background discussion in the '656 patent relative to the subject matter of the claims of the '656 patent, taken as a whole, and, therefore, the validity and enforceability should have been established. Without a proper analysis required by Rule 52 and the pronouncements of this Court relative thereto, the adoption of the lower court's findings were erroneous or a gross miscarriage of justice in these cases.

The design patent was dedicated to the public before trial. The trial judge permitted the defendants to prove invalidity and encumbered the record and Findings of Fact with documents that were not relevant; i.e., Finding 89 lists 300 invoices without addressing the fact that most of the invoices were within the one year statutory period, and, therefore, of no legal consequence.

The Federal Circuit, in its infinite wisdom, referred to the "finding of intent cannot be clearly erroneous given

the sheer volume of information not disclosed." It would appear that the "sheer volume" must refer to the invoices on the design patent and the "sheer volume" was not relevant to the design patent. Did the Federal Circuit have in mind Conclusions of Law 43 and 46? (A.p. 96a-97a) Furthermore, the design patent was excluded from the Federal Circuit's consideration; see page 2 of the Opinion (A.p. 2a).

The Federal Circuit has recognized that "inequitable conduct" as to one patent cannot taint patents obtained earlier merely because they are interrelated, *SSIH Equipment S.A. v. U.S. International Trade Commission et al* 718 F.2d 365, 378-79 218 USPQ 678, 689, 690 (Fed. Cir. 1983). The lower court's Findings and Conclusions of Law No. 46 (A.p. 97a) are to this effect but were not rejected by the Federal Circuit, nor was the summary of the facts established to support such a conclusion. A design patent and a utility patent, on their faces, are different in kind. The District Court apparently did not evaluate this Federal Circuit decision and the facts of the patents prior to adopting Conclusion of Law No. 46.

The attempt by the Federal Circuit to equate claim 1 of each of patents Nos. '655 and '656 to "one of the supposedly patentable features" is meaningless since the two claims define different combinations of elements, neither of which is in the "known Jacuzzi jet." (A.p. 3a)

As a result of the summary approach to the Findings of Fact, it would clearly appear that the Federal Circuit could not affirm the trial court without re-writing the deficient Findings and writing some of their own, all contrary to the spirit of Rule 52(a) and this Court's decisions.

To permit Courts of Appeal to share more actively in the fact-finding function tends to undermine the legitimacy of the District Courts in the eyes of litigants, multiply appeals by encouraging appellate retrial of some factual issues, and needlessly reallocates judicial authority. The

public interest can be best promoted by recognizing that the trial court, not an appellate tribunal, should be the finder of the facts, thereby leading to stability and economy in the judicial process. Trial courts should adopt Findings based on an evaluation of both parties' evidence, not only the prevailing parties' evidence.

Petitioner submits that the Federal Circuit has strayed too far from the accepted and usual course of judicial proceedings in this case and has sanctioned such a departure by the trial court and this Court should grant the Petition pursuant to this Court's Rules 17.1 and 17.2 to correct this conduct as it calls for an exercise of this Court's power of supervision per Rule 17.1(a).

III. The Need For Review Of The Issues Raised By Question 4 Is Necessary To Prevent A Gross Miscarriage Of Justice

A. The Court Should Issue The Writ Of Certiorari In This Case Because The Federal Circuit's Affirmance Of The Trial Court, Solely On The Issue Of Inequitable Conduct, Incorporated An Erroneous Approach Based On The Erroneous Approach By The Trial Judge, Based On The Erroneous Patent Claim Interpretation And Erroneous Interpretation Of The Cited And Uncited Prior Art By The Counsel Of Prevailing Parties.

Fundamental to any evaluation of inequitable conduct is the correct interpretation of each of the three patents in issue and, in particular, the patent claims in issue from the standpoint of the information considered by the PTO. The Federal Circuit recognized that Fraud cannot consist of a failure to duplicate what is in the file wrapper; *Environmental Designs, Ltd. v. Union Oil Co. of Calif.* 713 F.2d 693, 698, 218 USPQ 685, 870 (Fed. Cir. 1983). Again, in 1984 in *American Hoist & Derrick Co. v. Sowa & Sons, Inc.* 725 F.2d 1350, 1363, 220 USPQ 763, 772 (Fed. Cir. 1984), the Court stated in citing *Digital*, Supra, an applicant is under no obligation to disclose all pertinent information. This was restated by the Court in *Kimberly-*

Clark Corp. v. Johnson & Johnson 745 F.2d 1437, 1454, 223 USPQ 603, 614 (Fed. Cir. 1984). The *J. P. Stevens & Co. v. Lex Tex, Ltd.* panel stated that a reference that is cumulative to the cited art is not material, 747 F.2d 1553, 1559-60, 223 USPQ 1089, 1092 (Fed. Cir. 1984).

The *Laitram*, Supra, panel considered "important" re 37 CFR 1.56(a) for purposes of materiality from the standpoint of anticipation (35 U.S.C. 102), or "obviousness" (35 U.S.C. 103), and the absence of either statutory criteria establishes lack of materiality and thereby lack of "importance"; 785 F.2d 292, 295, 228 USPQ 935, 937 (Fed. Cir. 1986).

Yet another panel of the Federal Circuit in 1986 in considering the standards of materiality and intent in the *J. P. Stevens*, decision, Supra, relative to prior art designs that were utilized as a starting point for the patented improvements under consideration and known to the patentee and its attorney but not disclosed to the PTO goes to *intent* and not to materiality under 37 CFR 1.56. This panel considered that this evidence did not clearly and convincingly establish that a reasonable patent examiner would have considered the starting point information "important" in deciding to issue the patent; *Pacific Furniture Mfg. Co. v. Preview Furniture* 231 USPQ 67, 69 (Fed. Cir. 1986).

The *Pacific Furniture*, Supra, rationale parallels the facts with respect to the Mathis '655 patent, namely, the Hayward jet, was considered as the starting point—the whirlpool jet Mathis found unsatisfactory for his purposes and commenced to improve on and did improve on as testified to extensively by Mr. Mathis. The findings of the trial court describe the difference covered by claim 1 of the '655 patent; see Findings 10, 15 and 20 (A.p. 57a-59a,61a) The trial court found the differences "obvious" without any analysis under 35 USC 103 (in *finding* No. 15) as required by this Court in *Graham v. Deere*, Supra.

Similarly, claim 1 of the '656 patent is redefined in Finding No. 30. (A.p. 64a) The prior art referred to in the Mathis specification relative to claim 1 of the '656 patent is intentionally misconstrued in Finding No. 38 (A.p. 67a) to support the claim of inequitable conduct and attorney fees. Similarly, the Model 548 structure was redefined to establish invalidity and inequitable conduct per Findings 39 and 44. (A.p.67a-68a) In fact, the Mathis specification describes the prior art that is an improvement over the method of supplying water and air to the whirlpool jets in his Model 548 Spa as recognized by the statement in Finding No. 38. (A.p. 67a)

The *A. B. Dick* panel, Supra, stated their understanding of the language of 37 CFR 1.56(a) as simply "important to a reasonable examiner" contra the aforementioned interpretations by the above noted panels. Unlike the *Laitram*, Supra, panel, the *A. B. Dick* panel flatly stated that materiality is *not* whether there is anticipation or obviousness; page 1397 of 798 F.2d, page 853 of 230 USPQ. This now places the burden on an applicant and his patent counsel to disclose *all* known information whether the Examiner has knowledge of it or not and whether the Examiner has cited it or not and whether or not counsel considers it material; thereby *all* known information *now* is "important" under Rule 1.56.

The PTO Rule 1.56 defines "important" as to a "reasonable examiner." There is no standard in the rule or anywhere to define a "reasonable examiner" or the level of skill of an Examiner to permit proper interpretation of the "importance" to the Examiner under Rule 1.56. An Examiner's evaluation of the prior art and an applicant's invention varies with the level of skill and experience of the individual Examiner and his particular familiarity with the class of inventions falling within his assigned expertise, as does evaluation of patent counsel. Is the Examiner one of "ordinary" skill of the art, higher or lower than the skill? A valid decision as to an Examiner's skill is not

unlike the skill of the art required under a 103 obviousness evaluation required by this Court in *Graham*, Supra. Any other approach results in a hindsight evaluation by the Courts as to information never revealed to the reasonable Examiner.

The Federal Circuit opinion clearly indicated that it did not reach the issues under 35 U.S.C. 102, 103 and 112 in the opening paragraph of its opinion (A.p. 2a).

Judge Markey highlighted the "tricks of the trade" that are resorted to by some patent trial lawyers to obtain their desired results in *Panduit Corp. v. Dennison Mfg. Co.* 1 USPQ 2d 1953 (Fed. Cir. 1987). Petitioner submits that patents, patent claims and prior information should be fully examined and properly interpreted on the basis of the entire record or all evidence in order to reach a valid judgment on inequitable conduct.

Petitioner submits that in all patent cases involving inequitable conduct that the record cannot be properly evaluated as to undisclosed information per se without establishing properly, (1) the claimed subject matter, (2) the prior information of record, and (3) the relationship of the cited and uncited information as to the claimed subject matter "as a whole." If the trial court's decisional approach is of the type condemned by Judge Markey, the same approach can make any undisclosed known information appear "important" under Rule 1.56 to establish materiality and therefore the isolation of a single issue should be condemned by this Court as it is inequitable to patentees who have made a valuable contribution to society, as in these cases.

B. The Erroneous Interpretation Of The Patents In Suit, The Claims In Issue, And The Lack Of Review Of The Cited And Uncited Art Has Approved The Trial Counsel's Improper Erroneous Conclusions Authenticated By The Trial Court's Lack Of Appreciation Of The Petitioner's Evidence.

What Judge Markey has condemned in *Panduit*, Supra, has occurred in this case. The claims were reduced to shorthand expressions such as to "sandwiching" re claim 1 of '656, restricted the claim language of claim 1 of '655 to "screws and similar fasteners" to encompass the Hayward Jet "nut" and thereby read out of the claim "without any fastening members being connected to the bathtub" which is not descriptive of the Hayward "nut." The discussion of the prior art use of T-fittings disclosed in the Mathis '655 patent has been re-interpreted to establish the infringer's position and without reference to the actual state of the prior art as established by the record. Similarly, the language of claim 1 of the '656 patent as to plural jets being "directly connected" . . . "without fittings" has been reconstructed by the prevailing parties in terms of the prior art.

The trial court's Finding of Fact No. 15, (A.p. 59a) on its face, is contrary to the conclusion reached by the Federal Circuit on page 3 of its Judgment, that the Hayward and Jacuzzi jets are installed without extraneous fastening devices, since the finding itself indicates that the Hayward jet uses a "flanged nut" (a fastening device) and its location *on* the tub. As the finding also makes clear, reference to anticipation and obviousness with regard to 35 U.S.C. 102 and 103 are integrally related to the finding which the District Court adopted and which the Federal Circuit has redefined on page 3 of its Opinion.

The inventor acknowledged the lack of disclosure to the Patent Office by his patent counsel of the Hayward jet and the fact that it was the prior art he improved upon and there was extensive testimony by him and his wit-

nesses in the trial court that was overlooked with regard to this matter. It is respectfully submitted that in following this Court's evaluation of an invention, the proper consideration and evaluation of the claim language would result in a completely different result than the evaluation of the claimed subject matter based on erroneous unilateral interpretations. Judge Markey recognized that erroneous patent claim interpretation requires REMAND; page 1603 of 1 USPQ 2d.

The decisional approach in the trial court and in the Federal Circuit permits the destruction of every patent and subjects every inventor and patent applicant to a claim of inequitable conduct, particularly in view of the Federal Circuit's rationale in *A. B. Dick Co.*, Supra, by penalizing *every* lack of disclosure of information known to an inventor, whether or not it affects the validity of the patent, thereby frustrating Congress' effort to effectuate its constitutionally granted powers and the intent of the framers of the Constitution. This appraoch renders the costs of obtaining patents, and litigating patents, particularly to independent inventors, prohibitive.

The same Mathis patents were before the PTO in an attempt to obtain a trademark registration on the configuration of the venturi body per se. The same Federal Circuit panel affirmed the decision (unpublished) of the Trademark Trial and Appeal Board in denying the registration on the grounds that included the fact the Mathis structure was of a superior design; *In re Vico Products Mfg. Co., Inc.* 229 USPQ 364, 367, 368 (TTAB 1985), reconsideration denied 229 USPQ 716, 718 (TTAB 1986).

The errors of law committed by the trial court are too numerous to discuss in this Petition, but a reading of the short Opinion of the Federal Circuit leaves no room for doubt that the conclusions are based on the erroneous facts and conclusions of the trial court, compounded by further erroneous fact findings by the Federal Circuit whereby a

gross miscarriage of justice has been committed and will continue to be committed without a change in the decisional approaches ordered by this Court.

Petitioners are entitled to more than the ready adoption of the prevailing parties erroneous interpretations of the lower court.

CONCLUSIONS

For these various reasons, this Petition for Certiorari should be granted. The decisions of the trial court and the Federal Circuit would impose a manifest injustice on Mr. Mathis, and Mr. Mathis accordingly prays, most urgently, that the Writ of Certiorari be issued.

In view of the conflict of the decision below with the past decisions of this Court, and the conflict in the decisions of the numerous Federal Circuit panels, the Court may wish to consider summary reversal.

Respectfully submitted,

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